
IN THE
United States Court of Appeals
FOR THE NINTH CIRCUIT

No. 20750

M. O. S. CORPORATION, *Plaintiff-Appellant*,

v.

JOHN I. HAAS, INC., *Defendant-Appellee*.

On Appeal from the United States District Court for the
Eastern District of Washington, Southern Division

BRIEF FOR APPELLEE

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STATEMENT OF THE CASE

The statement of the case appearing in appellant's brief is controverted by defendant-appellee. Accordingly, the following statement is provided, in accordance with Rule 18.3 of this Court.

This Court, by its decision of May 28, 1964 in Appeal No. 18953 (332 F.2d 910), decided only that the facts established on the original trial pertaining to plaintiff's appli-

cation for reissue, its rejection, and the abandonment of the application, did not preclude plaintiff from *asserting* that, by the application of the doctrine of equivalents, the claims of the patent cover the method of compressing and packing hops in single standard drums.

The cause was remanded to the district court for further proceedings. Pursuant to the remand, expert testimony in affidavit form was filed by both parties. The expert witnesses appeared before the trial court for cross-examination and for interrogation by the court on June 2, 1965. At this time, both parties filed briefs and proposed findings of fact and conclusions of law. The proceedings are reported in Volume V of the record on appeal.*

The trial judge filed his Memorandum Decision, Findings of Fact, Conclusions of Law and Judgment on August 11, 1965 (R. Vol. I, 68-85).

The trial court concluded that claim 1 of the patent in suit had not been literally infringed and that it could not be construed to cover, as an equivalent, the accused single drum net weight packaging procedure used by defendant. All of the claims in suit were held not infringed and the action was dismissed on this ground.

The issue of validity was not determined by the court, as a decision on the question of infringement under the doctrine of equivalents of claim 1 would be decisive of the plaintiff's claim.

Appellant's brief before this Court largely ignores the disclosure of the specification and drawings of the patent in suit and makes scant reference to the specific limitations of claim 1, the only claim in issue. Instead, it deals with the alleged commercial impact of the "Meisler invention" on the hop growing, packing and shipping industry in the Western States.

* The record on appeal consisting of five volumes will be referred to by volume and page number, as presently paginated.

There Is No Evidence To Support the Alleged Commercial Impact of the Patented Process

Appellant, in utter disregard of the record herein, improperly seeks to impress this Court by repeated allegations as to the economic or commercial success of the patented process and its impact on the hop industry. Thus, in its brief plaintiff states at page 5:

“Efforts were made to use paper bags and plastic bags without practical success, so that at the time of the Meisler invention there was very little trade abroad. With the advent of the Meisler invention, however, trade abroad has significantly increased and a substantial part of the production of hops is shipped abroad to South America, to the Orient and to Europe, utilizing the Meisler invention. (R. 150 et seq., prior case)”

“The Meisler invention, which has changed the economy of the hop industry, permitting the raising of substantially more hops in the Western States than had ever been raised before, . . . (R. 63 et seq., 115 et seq., prior case)”

And at pages 24-25 plaintiff states:

“Mr. George Gannon, a banker and successful hop grower in the Yakima Valley stated very clearly that there was no doubt about the fact that the Meisler invention was successful and opened up foreign markets and that many efforts had been made to accomplish the results achieved by the Meisler invention; and that not only lead and copper boxes, but plastic and paper bags, were tried *without success*. (R. 158, et seq., prior case)” (Italics, appellant’s)

Similarly at page 27 plaintiff states:

“All in the industry are using appellant’s process”.

And again at page 40 of its brief plaintiff states:

“After the Meisler invention came into use, the process was utilized throughout the industry and resulted in the development of a foreign trade which absorbs a

substantial percentage of the annual crop, not only making the hop industry as a whole more profitable but adding additional acres of land to hop production, each a worthwhile economic objective."

A review of both the rather infrequent references by appellant to the record, as well as the record as a whole, utterly fail to disclose any evidence which supports such allegations. Indeed, the testimony of appellant's own witnesses at the trial negatives such allegations of commercial impact.

Thus, the most careful scrutiny of the testimony of appellant's witness Gannon, which spans only 7 pages of the record (R. Vol. II, 158-164) clearly shows no suggestion whatever that he had any knowledge of the patented process or that the Meisler patent had developed extensive overseas sales of hops which did not exist before. On the contrary, it appears that had Gannon been asked to testify as to the commercial success of the patented method he would have been unable to do so since his Yakima Sheep Ranch, Inc. which grew, baled and recompressed hops for export, packed only rectangular bales. Thus, on direct examination Gannon testified as follows : (R. Vol. II, 161)

Q. Now, the bale that you recompress is a round one?

A. No, it is a rectangular one.

Q. It is a rectangular one?

A. We don't do any round work.

Of course his testimony also clearly gives the lie to appellant's unsupported allegation, quoted above, that "all in the industry are utilizing the appellant's process."

Similarly at the trial another of appellant's witnesses, Chris Eismann, an employee of the firm of S. S. Steiner, a licensee under the Meisler patent, was rather hard-pressed when, on direct examination by appellant's counsel, he was asked about the economic advantages of the patented method.

Thus, at R. Vol. II, 168, Mr. Eismann testified with regard to Meisler's patented method as follows:

Q. And is his development economically successful? Does it have any economic advantages, in your opinion?

A. I am sure it must have. For one thing I believe it is a little cheaper than some other packages and the fact that some people desire that method of packing illustrates that it must have some advantages.

And on cross-examination Eismann testified:

Q. Yes. You said that the economic advantage of the Meisler method was largely because of the packages—that is, the drums were cheaper than other packages; do you think that is the principle advantage?

A. That is one advantage, and as I mentioned some people have a preference for that type of package. Just why, I don't know. (R. Vol. II, 170, prior case)

It is also apparent from Eismann's testimony that appellant's allegations as to the revolutionary effect of the Meisler method on the hop industry and its rendering of prior art hop packaging techniques obsolete is completely unfounded.

Thus, on direct examination Eismann testified (R. Vol. II, 168):

Q. Do you do any other type of packaging other than the Meisler method?

A. Yes, we pack in singles and doubles without extra wrapping, and singles and doubles with extra wrapping, and singles and doubles in cases and drums.

Appellant's witness, James Byers, who had been in the hop brokerage business since 1925, reflected a similar lack of commercial enthusiasm for the Meisler method when he testified that only rectangular recompression had been done in Oregon and acknowledged that "there is very little or no recompressing going on in Oregon at the present time". (R. Vol. II, 179, 181, 182)

The above quoted assertion by appellant that the patented Meisler method has significantly increased trade abroad is clearly an obvious and blatant misrepresentation of the record. The record simply does not support such a claim. Similarly, appellant's contention that the Meisler invention has "changed the economy of the hop industry" and permitted "the raising of substantially more hops in the Western States than had ever been raised before" is not only utterly unsupported by the record, but is also contrary to fact. Appellant did not produce even an iota of evidence to substantiate these exaggerated claims, in spite of the fact that such evidence would have been available if the facts were actually as claimed. This court may well take judicial notice of the fact, of which appellant is undoubtedly aware, that the United States Department of Agriculture periodically publishes agricultural production statistics, including the total annual hop production of the Western hop growing states. Appellant never sought to introduce such publicly available reports for the years before and after the commercial introduction of the Meisler method in support of the claim economic or commercial impact of the invention on the industry. This is understandable since even a cursory reference to such reports reveals that the total hop production of the Western States, namely, Idaho, Washington, Oregon, and California for the crop year 1945 (some six years prior to Meisler's filing of his application for patent) was actually several million pounds *greater* than for 1964, over ten years after the commercial introduction of the Meisler method.*

From the foregoing it is clear that plaintiff's allegations as to the revolutionary character of the Meisler method and its impact upon the hop industry is not only totally unsupported by the evidence in the record but contrary thereto. Indeed, it appears that appellant in its brief is seeking to

* Documented, in the United States Department of Agriculture report entitled, "Selected Hop Statistics", prepared by Fruit & Vegetable Division, Consumer Marketing Services, Department of Agriculture, Washington, D. C., March 1965.

foist upon this Court the legally and factually unsupported, and appellee adds unsupportable, proposition that economic success itself entitles Meisler's limited patent monopoly to be broadly construed. Not only does no such legal proposition exist in the patent law, but even plaintiff's allegations of economic success do not find the support which plaintiff attributes to the record.

The Process Shown, Described and Claimed in the Patent in Suit

Instead of discussing the "invention" involved in this litigation by reference to the disclosure of the specification and drawings of the patent and the specific terms of the claim, appellant relies upon the ingenious imagination of its expert witness, a practicing patent lawyer in Seattle, to describe a very different invention. His evaluation of the "invention" (Brief, pages 9-11, 20 and 21) is based upon hindsight and events which have transpired during the many years since the filing of the application for patent in July 1951.

In its statement of the case, appellant paraphrases the testimony of this patent-lawyer-expert in an effort to rewrite the claim completely and to present to this Court as the "invention" covered by the patent, a method which the patentee never presented to the Patent Office, and one which was never considered by the Examiner.

Since, as pointed out below, a patent must be construed as a contract, it is important to determine factually, rather than by the theories of an expert, just what the inventor offered to the public (as represented by the Patent Office) in exchange for a 17-year monopoly, just what the public accepted, and what was intended to be, and was granted as a limited monopoly in exchange for, and in consideration of, the disclosure.

We will refer briefly to the specification and drawings of the patent in suit, which constituted the disclosure, and to

certain fact findings of the trial court to show just what Meisler had "invented" when he went to the Patent Office and asked for a patent. The opening portion (Ex. 1, col. 1, ls. 3-17) describes the standard prior practice of placing *two* elongated sacks or bales of hops, each weighing approximately 200 pounds, one upon the other, and inserting them into a press to reduce their combined height to one-half. The resulting two bales, bound together into a single, elongated rectangular bale, were placed in a metal lined case for shipment. The patent explains that to attain the object of the invention, the two standard bales of hops "are inserted in a press which reduces the two rectangular bales to one of *circular* cross section".* The specification then describes (col. 1, ls. 42-44) what is emphasized throughout the specification and claims as the essential step of the invention, constituting the exact point of novelty,

" * * * The compressed bale of circular cross section is then fastened with wire and hermetically sealed in *two* standard steel drums."

The "two standard steel drums" are shown in Figure 5 of the patent, which is described, col. 2, ls. 13-15,

"Figure 5 is an elevational view in part section of the bales shown in Figure 4 packed in standard steel drums for shipment."

It should be noted that the two standard steel drums are arranged end to end, forming a container of double length, to receive the elongated cylindrical bale of Figure 4, made in the elongated press of Figure 1.

The specification continues, col. 2, ls. 30-36:

" * * * 12 indicates the two steel drums in which the resultant bale of circular cross section is inserted for shipment; 13 indicates one form of seal for the drums; 14 indicates a second form of seal for the drums; and 15 indicates the tool for securing either seal around the flanges of the drums."

* Emphasis in quoted matter, added throughout.

Again, at col. 3, ls. 9-13, the specification states:

“The resultant bale of circular cross section is then inserted in two standard 55 gallon steel drums 12 with the outwardly and downwardly directed flanges 21 circumferentially formed around each open top superposed.”

The operation, after the formation of the cylindrical bale shown in Figure 4 has been completed, is described at col. 3, ls. 45-59:

“ * * * The resultant bale is then removed from the press and placed into one of the two steel drums 12. Of course, one end of the bale will protrude beyond the drum and over the protruding end the second steel drum is placed so that when the bale is completely enclosed, the flanges around the open top of each drum are superposed. The rubber tube 22 is then inserted in the outer recess formed by the flanges. Next, the adhesive strip 23 is put on over the rubber tube and the contiguous surface portions of the flanges and over the adhesive strip the steel band 24. The various elements of the seal are held in place by the spaced clips 25 attached by the tool 15. * * * .”

As admitted by plaintiff's expert on cross-examination (R. Vol. III, 410, 418), nowhere in the specification is there the slightest suggestion that less than *two* steel drums may be used in accordance with the invention. In the general description of the invention, in the drawings and in the particular description, “two standard steel drums” and “two steel drums” are always referred to.

That all of the claims of the patent are equally explicit in specifically requiring the use of *two* steel drums was noted by this Court in its earlier decision at 332 F. 2d 910, 911:

“The *claims and specifications* of the patent describe a process and method of pressing *two standard bales* of hops into one circular cross section bale, which is then placed into *two standard steel drums* for shipping.”

Moreover, although Meisler appeared as a witness at the trial, he made no contention that, prior to the filing of his application for patent, he had ever packed any form of recompressed bales of hops in *single* drums. There was extensive testimony indicating that this idea evolved at a much later date. As a result of a review of all of the evidence on this point, the court found (R. Vol. I, 78):

“XV. There is no evidence that at the time application for patent was filed [July 13, 1951], or even as late as August 3, 1953, when the applicant added by amendment two claims directed specifically to the two-drum container, which appear as patent claims 6 and 7, that the patentee, Meisler, contemplated anything other than the recompressing of intact rectangular farm bales into an elongated cylindrical bale and the packaging of the cylindrical bale in two steel drums secured end to end with their flanges superposed and sealed.

“XVI. All of the method and container claims presented to the Patent Office in the entire history of the Meisler application were limited to the use of two drums and no claim was ever asserted to a method or container involving only one drum.”

Meisler's testimony at the trial indicates that packaging of recompressed bales of hops in single drums, which necessarily involves cutting the bales in half, would inevitably result in a violation of the integrity of the original ranch bales and would be the antithesis of his invention, which required *maintaining intact* the original ranch bales.

On direct examination, Meisler testified (R. Vol. II, 68-69):

“ * * * I finally found a method whereby we could take our rectangular bales without—remember that I did not own these hops. I could not do anything to a bale of hops but maintain it in its original form because the exposure of a commercial process to damage hops would just ruin me. * * * I had to develop a method which would not injure the hop or disrupt this density * * * .

“I had to take these domestic bales and maintain that 400-pound competitive product and not change the state of the hop itself.”

and at page 70,

“ * * * I could not touch this hop. They were not mine to touch.”

On cross-examination (R. Vol. II, 103, 104) the following testimony appears:

“Q. And then you always also have two layers of burlap extending through the double bale which were part of the original ranch bale which you combined in your press?

A. We do that sir, yes. We don't own the product. Therefore, we cannot mutilate or damage or expose ourselves to any damage to the product or contamination.

Q. That is

A. (Interposing) That is a precaution we have to take because of the industry.

Q. And that really is an essential part of your process, the compressing of the two bales into one—

A. (Interposing) of circular cross-section.”

Thus, one of the advantages, in fact an essential feature, of Meisler's method was that two farm bales in their original burlap wrappings could be compressed and packaged in two standard steel drums arranged end to end with their flanges juxtaposed and sealed, without touching the contents of the bales.

From the foregoing it is apparent that what the patentee offered to the public (as represented by the Patent Office) was only the disclosure of compressing two intact standard bales of hops into a circular cross section and packaging the resultant elongated circular bale in two standard drums secured end to end. This was all the patentee disclosed, this was all the Patent Office considered and this is all that was and could be granted as a limited

monopoly in exchange for such disclosure. See *Del Francia v. Stanthony Corporation*, 278 F. 2d 745, 747, wherein this Court stated:

“The claims are a measure of the monopoly granted to the inventor . . . (citing case) and they can never be broader than the invention disclosed to the public.”

Defendant's Hop Packing Operation Bears No Substantial Resemblance to the Process Shown, Described and Claimed in Plaintiff's Patent

The method and apparatus used by defendant in packaging hops in single steel drums are described in the testimony of defendant's Assistant Vice President Shuff at pages 255-265 of Volume III of the record and are shown in Exhibits 28-39. The method is fundamentally different from that described in the patent in numerous respects, particularly in the steps of sawing a single bale in half, removing the burlap covering, superimposing the contents of the two half-bales with more or less hops to make an exactly predetermined weight, and re-compressing the unbaled hops, as contrasted with the steps in the patent of superimposing two elongated farm bales and recompressing them in their original burlap wrappings; followed in the case of defendant, with the steps of applying binding wires or straps, closing the ends of the bale by sewing, and inserting the cylindrical recompressed bale in a single steel drum and applying the conventional lid, as contrasted with the steps described in the patent of placing the elongated recompressed, double bale into *two* steel drums with the flanges around the open ends thereof superposed, and sealing the superposed flanges.

The trial court referred to the defendant's accused method in its fact findings (R. Vol. I, 78, 79, 81, 82) as follows:

“XVII. In 1955 the defendant began its here-accused single drum net weight packaging procedure.

“XVIII. The accused net weight packaging procedure employed by the defendant comprises the steps of sawing a single standard ranch bale in half, and removing the original burlap covering to leave the hops exposed and unrestrained and thereby permit the necessary weight adjustment by the addition or removal of hops. Thereafter, the unrestrained hops of adjusted weight are compressed to a cylindrical form with a new burlap wrapping and after being fastened by metal straps or wires, are placed in a single standard 55-gallon steel drum which is sealed by a conventional lid (Exhibits 28-39).

* * * * *

“XXV. The defendant’s single drum net weight packaging procedure does not literally infringe claim 1 of the patent, since defendant does not compress ‘at least one bale of hops’, but rather unwraps, compresses and bales a sawed-in-half bale of hops of precisely predetermined weight, and defendant utilizes only a single drum rather than ‘two steel drums’. Therefore, to sustain its charge of infringement, plaintiff must rely upon the doctrine of equivalents to obtain a broadened construction of the claim which would include defendant’s single drum net weight packaging method within its patent monopoly.

“XXVI. The defendant’s single drum net weight packaging procedure is fundamentally different from the plaintiff’s patented method, and does not perform the same function in the same way to obtain the same results. Unlike the patented method, the defendant’s procedure destroys the integrity of the original ranch bale so as to permit access to the hop contents and adjustment of the weight necessary for net weight packaging. The defendant’s procedure does not obtain the advantage of the patented method, emphasized by the patentee, Meisler, of maintaining the integrity of the original ranch bales in their original burlap wrapping so as to preclude exposure of the hops and consequent ‘damage to the cones and petals.’ Defendant thus compresses and bales unrestrained blocks of hops intermingled with filler hops to provide a cylindrical bale of hops of accurately controlled predeter-

mined net weight. The defendant's resultant cylindrical bale of predetermined net weight is fundamentally different than the elongated random weight, recompressed ranch bale of the patented method. Similarly, the defendant, by utilizing a single conventional steel drum, does not obtain the advantage of a container which will contain recompressed intact ranch bales in their original elongated form. Moreover, the defendant's considerably more involved and obviously less efficient single drum net weight packaging procedure does not attain the high production rates which are readily attained according to the patented method."

In the light of the evidence and the foregoing findings of fact, the court found (R. Vol. I, 83, Finding XXXIII) "The accused single drum net weight packaging procedure is not the equivalent of the patented method" and stated in its Memorandum Decision (R. Vol. I, 74-75) " * * * I find that there has been no infringement of the plaintiff's patent by the defendant's process, either literally or under the doctrine of equivalency."

QUESTIONS PRESENTED

Defendant submits that the following are the questions presented for determination on this appeal:

1. Is the trial court's fact finding (XXXIII) that the "accused single drum net weight packaging procedure is not an equivalent of the patented method" supported by the evidence (F.R.C.P. 52(a))?

2. Is the trial court's conclusion that claim 1 of the patent in suit cannot be construed to cover, as an equivalent, the accused single drum net weight packaging procedure used by defendant, supported by the facts as established by the evidence and found by the court?

ARGUMENT

No question of *literal* infringement of claim 1 is involved, since, as pointed out by this Court, "Haas is not accused of using a two-drum packing method." (332 F. 2d 910, 915)

Hence, the only matter for consideration is whether the findings and conclusions of the trial court in connection with the doctrine of equivalents are supported by the record.

In *Graver Tank Co. v. The Linde Air Products Co.*, 339 U.S., 605, 609, 610, the Supreme Court said:

"A finding of equivalence is a determination of fact * * * it is to be decided by the trial court and that court's decision, under general principles of appellate review should not be disturbed unless clearly erroneous."

This Court in *Nelson v. Batson*, 322 F. 2d 132, cited the rule of the *Graver Tank* case with approval in Footnote 12 at page 136. The court discussed the fundamental principles of patent infringement as follows (p. 134):

"The statute requires that the patent application contain specifications which describe the invention in 'full, clear concise, and exact terms,' and which conclude with 'one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.' 35 U.S.C.A. §§ 111, 112. The claims measure the patent monopoly, and their language provides the standard against which infringement is initially to be determined. Where, as here, the invention consists of a combination of old elements, the patent monopoly extends only to the combination claimed as required by the statute, and not to its parts; the patent is infringed only if all of the elements set forth in the claim are found in the accused device.

"These are not arbitrary requirements; they serve important and long recognized public interests. Precise claims are required, 'so that the public may know

what they are prohibited from doing during the existence of the monopoly, and what they are to have at the end of the term, as a consideration for the grant.' *Brooks v. Fiske*, 15 How. (56 U.S.) 212, 214-215, 14 L.Ed. 665 (1853)."

After referring to the *Graver Tank* case and the court-created "anomaly," the doctrine of equivalents, the court said (p. 135):

"Since the purpose of the doctrine of equivalents is to give the inventor an opportunity to secure a just reward for his invention—an opportunity which he would otherwise be denied because of the failure of the language of his claim to include devices which were in fact the same as his own in function, means, and result—the degree of protection afforded beyond the language of the claims will vary directly with the value of the inventor's contribution to the art. As the principle is commonly put, the inventor is entitled to a range of equivalents commensurate with the scope of his invention: broad if his invention is broad; narrow if his advance is a small one in a crowded field."

In that case, as here, the appellant asked the court to disregard the clear language of the claim and to substitute therefor a broad combination of elements which it contended was the "heart" or "essence" of the invention. This court held (p. 137):

* * * "We can only answer, 'that there is no legally recognizable or protected "essential" element, "gist" or "heart" of the invention in a combination patent.' " *Entron of Maryland, Inc. v. Jerrold Electronics Corp.*, 295 F. 2d 670, 677 (4th Cir. 1961), quoting *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 365 U.S. 336, 345, 81 S.Ct. 599, 5 L.Ed.2d 592 (1961).

The court concluded (p. 138):

If the "essence" of Nelson's invention was indeed the relationship between the rotatable propulsion unit and the skeg, Nelson should have claimed that combina-

tion separately. "The inventor must 'inform the public during the life of the patent of the limits of the monopoly asserted, so that it may be known which features may be safely used or manufactured without a license and which may not.' " [citing cases]

Thus, appellant cannot ignore the specific limitation of claim 1, as it seeks to do at pages 20 and 21 of its brief, by referring to what is termed the "essence of the process", consisting of four steps which were never described in the patent application and never presented to the Patent Office. A similar attempt was condemned by this court in *Nelson v. Batson*, *supra*.

The Questions of Equivalency and Infringement Are Questions of Fact and Not of Law

At page 28 of its brief, appellant contends that the questions presented on this appeal are questions of law and not of fact, presumably in an attempt to escape the presumption of correctness which attaches to fact findings of the trial court under Rule 52(a). The cases relied upon do not support the contention. A determination of equivalency or non-equivalency is one of fact, as has been conclusively decided by the Supreme Court in *Graver Tank v. Linde*, *supra*.

This Court's decision in *Del Francia v. Stanthony Corporation*, 278 F. 2d 745, cited by appellant does not suggest a contrary conclusion, but, in fact, supports the proposition.

This Court in *Del Francia*, after the statement quoted at page 28 of appellant's brief, went on to say—

" * * * The claims are a measure of the monopoly granted to the inventor, *The Paper Bag Case*, (*Continental Paper Bag Co. v. Eastern Paper Bag Co.*), 1908, 210 U.S. 405, 419, 28 S.Ct. 748, 52 L.Ed. 1122, and they can never be broader than the invention disclosed to the public. Finally, the specifications and

drawings must be looked to in order to properly grasp the invention or explain any ambiguity in the claims. The specification may not be used to enlarge any claim, but can be used to limit any claim.”

In footnote 5 on page 748, this Court said:

“Normally, the question of infringement is one of fact. In this case, however, since there was no dispute as to the construction of the patented broiler and the construction of the accused device, the question of infringement resolves itself into one of law, depending on a comparison between the patent claims and the accused device, and the correct application thereto of the rule of equivalency. *Kemart Corp. v. Printing Arts Research Laboratories*, 9 Cir., 1953, 201 F. 2d 624.”

The court applied the classic tests of equivalency and found (p. 749):

“ * * * there is a substantial difference in the operation of the flame-creating means or method employed by the patented device and the accused device in accomplishing the desired result. * * *

On the basis of this fact finding, the court held:

“We hold that there is no equivalency of operation between the patented device and the accused device because the principle of appellant’s patent has not been appropriated by the appellee. Therefore, the accused device does not infringe upon the patented device.”

The decision of the Court of Appeals for the Eighth Circuit in *Solomon v. Renstrom*, 150 F. 2d 805, relied upon by appellant on page 28 of its brief, is utterly irrelevant to any phase of this case. That was not even a patent infringement suit, but was an action under the old statute, R.S. 4915, authorizing actions *de novo* in the district courts to review Patent Office decisions on the question of priority of invention in interference proceedings between rival

claimants. The issue was whether or not the Solomon application for patent contained a disclosure which would enable Solomon to copy claims from the Renstrom patent for purposes of interference. The court specifically held at page 809:

“This is not a suit for infringement and hence, the doctrine of equivalency may not be invoked.”

Appellant relies upon this Court's decision in *Hansen v. Colliver*, 282 F. 2d 66, at page 37 of its brief. This is one of a line of cases in this Circuit holding that, although the question of infringement is normally one of fact, in special situations it may be considered a question of law, particularly where the facts are not in dispute, where there is no disagreement between the expert witnesses and where the function, result and mode of operation of the respective methods or machines are not in issue. Examples of cases following this rule are *Kemart Corp. v. Printing Arts Research Laboratories, Inc.*, 201 F. 2d 624, *Stuart Oxygen Co. v. Josephian*, 162 F. 2d 857, and *Kwikset Locks, Inc. v. Hillgren*, 210 F. 2d 483.

In the latter case, this Court, at pages 488 and 489, reversed the district court's holding of infringement, saying—

“ * * * While it is true that a district court's finding of infringement is generally considered to be a finding of fact that may not be set aside unless clearly erroneous, ‘it is [also] well settled that where, as here, there is no dispute as to the evidentiary facts, and the record and exhibits enable us to clearly comprehend the nature both of the process patented and the alleged infringing process, the question of infringement resolves itself into one of law, depending upon a comparison between the two processes and the correct application thereto of the rule of equivalency. The testimony in this case was largely expository and descriptive of the elements and operation of the two processes and was not disputed.’ *Kemart Corp. v. Printing*

Arts Research Lab., Inc., 9 Cir. 1953, 201 F.2d 624, 627, 628; *United States v. Esnault-Pelterie*, 1938, 303 U.S. 26, 30, 58 S.Ct. 412, 82 L.Ed. 625.”

The present case does not come within the exception to the general rule applied in the above. On the contrary, the finding of infringement by the trial court below was based upon disputed facts and conflicting testimony. There is no dispute as to the method described and claimed in the patent or the method employed by defendant, but the results, functions, advantages, and effects of the two methods were the subject of much conflicting testimony and of diametrically opposed proposed findings of fact submitted by the parties to the trial court.

This court in considering the questions here presented should follow the criteria which it adopted in *Martin v. Be-Ge Mfg. Co. of Gilroy*, 232 F. 2d 530, 532. There, as here, conflicting evidence was presented at the trial. In issue were the function, operation and results of the accused machine and whether it performed the same function as that of the machine shown and described in the patent.

This Court said—

“After hearing all the evidence and viewing motion pictures showing the operation of the accused device, the trial judge, sitting without a jury, listed several differences in structure and operation between appellees’ device and the device of the patent in suit, and found there was no infringement, since ‘the function and mode of operation of the . . . [appellees’] devices differ from the function and mode of operation of the device described and claimed in the Letters Patent sued upon.’ [citing cases]”

“The issue of patent infringement is one of fact. *Stilz v. United States*, 1925, 269 U.S. 144, 147, 46 S.Ct. 37, 70 L.Ed. 202; *Battin v. Taggart*, 1854, 17 How. 74, 58 U.S. 74, 84, 15 L.Ed. 37; *McRoskey v. Braun Mattress Co.*, 9 Cir., 1939, 107 F.2d 143, 147.”

“This Court may not upset a finding of fact of the District Court ‘unless clearly erroneous’, Fed. Rules

Civ. Proc. rule 52, 28 U.S.C.A.; *Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 1950, 339 U.S. 605, 609-610, 70 S.Ct. 854, 94 L.Ed. 1097; *Patterson-Ballagh Corp. v. Moss*, 9 Cir., 1953, 201 F. 2d 403, 407; *Refrigeration Engineering v. York Corp.*, 9 Cir., 168 F. 2d 896, 899, certiorari denied, 1948, 335 U.S. 859, 69 S.Ct. 133, 93 L.Ed. 406; *Maulsby v. Conzevoy*, 9 Cir., 161 F. 2d 165, 167, certiorari denied, 1947, 332 U.S. 791, 68 S.Ct. 99, 92 L.Ed. 373; and here there is ample evidence to sustain the finding of non-infringement.' ”

To the same effect are *Kim Bros. v. Hagler*, 276 F. 2d 259 (C.A. 9), *Super Mold Corporation of California v. Bacon*, 130 F.2d 860, *Faulkner v. Gibbs*, 170 F. 2d 34, *Patterson-Ballagh Corp. v. Moss*, 201 F. 2d 403.

Appellant contends that the evidence establishes that the patented method and the accused method perform substantially the same function in substantially the same way to obtain the same result. Appellee contends that the evidence has no such effect.

The trial court in its Memorandum Decision (R. Vol. I, pages 70 and 71) noted the following differences in the two methods—

“1. The patented process uses two entire rectangular bales pressed to a circular shape. The defendant’s process calls for the sawing in half of a single bale, superposing one half on the other, and pressing to a circular shape.

“2. The plaintiff’s process makes no attempt to adjust the weight and each package will therefore vary somewhat in weight. The defendant’s process adjusts the weight so that each drum shipped has the same net weight.

“3. In the plaintiff’s process, both bales remain unbroken. In the defendant’s process, the wrapping of the bale is broken both by sawing and by unwrapping prior to pressing into a circular shape.

“4. The plaintiff’s patent specifically calls for the use of two drums as a container; the defendant’s process only uses one.”

The differences in the functional advantages of the method of the patent in suit and the defendant's single drum net weight packaging procedure were elaborated in the fact findings of the district court, numbers VIII and XXVI, (R. Vol. I 76 and 81) as follows:

“VIII. The principal functional advantages of the plaintiff's patented method of shipping bales of hops are that it (1) maintains the integrity of the original ranch bales in their original burlap wrappers and thus precludes exposure of the hops and consequent damage to the cones and petals, and (2) permits the elimination of the prior art custom built, metal lined containers by substituting therefor two standard steel drums whose combined length when their open ends are superposed, is sufficient to receive the 60-inch long recompressed intact bales.”

* * * *

“XXVI. The defendant's single drum net weight packaging procedure is fundamentally different from the plaintiff's patented method, and does not perform the same function in the same way to obtain the same results. Unlike the patented method, the defendant's procedure destroys the integrity of the original ranch bale so as to permit access to the hop contents and adjustment of the weight necessary for net weight packaging. The defendant's procedure does not obtain the advantage of the patented method, emphasized by the patentee, Meisler, of maintaining the integrity of the original ranch bales in their original burlap wrapping so as to preclude exposure of the hops and consequent ‘damage to the cones and petals.’ Defendant thus compresses and bales unrestrained blocks of hops intermingled with filler hops to provide a cylindrical bale of hops of accurately controlled predetermined net weight. The defendant's resultant cylindrical bale of predetermined net weight is fundamentally different than the elongated random weight, recompressed ranch bale of the patented method. Similarly, the defendant, by utilizing a single conventional steel drum, does not obtain the advantage of a container which will contain recompressed intact ranch bales in their original elongated form. Moreover, the defendant's

considerably more involved and obviously less efficient single drum net weight packaging procedure does not attain the high production rates which are readily attained according to the patented method.”

In addition to the disputed facts referred to above, which have been resolved by the trial court, the parties are in disagreement with respect to the prior art cited and the range of equivalents to which the patent is entitled in view thereof. Plaintiff-appellant contended below, and now contends that the prior art acknowledged in the specification of the patent, the prior patents cited by the Examiner, and the newly cited patents and publications relied upon by the defendant are so irrelevant and non-analogous that the patent is entitled to a liberal construction and a broad range of equivalents. Defendant-appellee, on the other hand, contended below that the prior art anticipates the invention and invalidates the patent, or, at least, shows that it is entitled to only the most limited scope.

The trial court resolved this dispute, in its Memorandum Decision, as follows (R. Vol. I, 71, 72):

* * * “In examining the record with respect to the prior art the following facts are clearly established by the record:

1. It is admitted that pressing hops into a desired shape is not new. The long-standing practice in the industry was to press the bales into rectangular shapes.
2. Pressing baled materials of square cross section into a circular cross section is not new. See Patent No. 1,418,441 (Howcott, 1922), Exhibit #73.
3. Using two cylindrical containers fastened together to form a single container is not new. See British Patents Nos. 14,946 (Whatmough, 1898), Exhibit #44; 618,912 (Young, 1949), Exhibit #47; and 624,194 (Shakesby, 1949), Exhibit #48.
4. Using a cylindrical, separable container to store hops is not new. See German Patent No. 7235 (Schmidt, 1879), Exhibit #53.

5. Using a single cylinder for housing baled materials is not new. See U. S. Patent No. 535,751 (Campbell, 1895), Exhibit #58.

“The plaintiff argues for a ‘liberal’ construction of the patent; but, as the patents cited indicate, the intentional crevasse into which the plaintiff’s patent fits is quite narrow indeed. A broad construction in view of the prior art would present a serious question as to the patent’s validity.” * * *

The court in its formal findings of fact referred to the prior art and its limiting effect on the construction of the claims in findings XXIX, XXX, and XXXI. (R. Vol. I, 82, 83)

“XXIX. In addition to the prior art practice of shipping recompressed bales of hops in custom built, metal-lined cases, the permissible construction of the claims of the patent in suit is further limited by the prior art U. S. Patent to Howcott, No. 1,418,441, issued June 6, 1922, the 1948 Hind publication (Exhibit 40), and the 1900 Gross publication (Exhibit 41). None of these prior art publications were before the Patent Office during the prosecution of the patent in suit.

“XXX. The 1922 patent to Howcott discloses the steps of compressing a bale of rectangular cross section into a bale of circular cross section and fastening the bale of circular cross section with wire bale ties.

“XXXI. Both the 1948 Hind publication and the 1900 Gross publication disclose the packaging of a cylindrical bale of hops in a single drum.”

These findings were based on conflicting testimony of the experts for the respective parties and their effect is governed by Rule 52(a).

Appellee submits that, under the rule of *Martin v. Be-Ge Mfg. Co.*, *supra*, the trial court’s determination that the accused single drum net weight packaging procedure is not the equivalent of the patented method and, therefore,

is not an infringement of claim, 1 is a determination of fact and not of law, entitled to the respect and presumption of correctness afforded by Rule 52 F.R.C.P.

Moreover, in making its findings and conclusions, the trial court was mindful of the rules laid down by this court for determining equivalency. In *Del Francia v. Stanthony Corp.*, 278 F. 2d 745, 749, this court said:

“In seeking to determine if the doctrine of equivalents is to apply, it is well to bear in mind the classic definition which requires the accused device to perform substantially the same function in substantially the same way to obtain the same result as that claimed for the patented item. *Sanitary Refrigerator Co. v. Winters*, 1929, 280 U.S. 30, 42, 50, S.Ct. 9, 74 L.Ed. 147.”

The trial court summarized the advantages, functions and results of the patented method (Finding VIII, supra p. 22) as consisting principally in maintaining the integrity of the original ranch bales in their original burlap wrappers and eliminating the elongated metal-lined containers by substituting two standard steel drums whose combined lengths when assembled was sufficient to receive the elongated recompressed intact bales. The court also pointed out in finding XXVI (supra p. 22) that defendant's method did not perform these functions or obtain the same result.

This court in *Moon v. Cabot Shops, Inc.*, 270 F. 2d 539, 543, said:

“In determining the permissible range of equivalents, the court must consider the state of the prior art, the novelty and contribution of the claimed invention, the nature and extent of the differences between the patented and the accused devices, the scope of the claim of the patent and the limitations in it, and other surrounding circumstances. *Long Mfg. Co. v. Holliday*, 4 Cir., 246 F. 2d 95, 100.”

The trial court in the present case considered each of the factors referred to above. The state of the prior art was referred to in the Memorandum Decision (R. Vol. I, 71-72) and in its findings Nos. XXIX, XXX, and XXXI, *supra* p. 24. In the light of the prior art, the court said:

“ * * * as the patents cited indicate, the inventional crevasse into which the plaintiff's patent fits is quite narrow indeed. A broad construction in view of the prior art would present a serious question as to the patent's validity.” (R. Vol. I, 72)

The trial court considered the “novelty and contribution of the claimed invention” as suggested in *Moon v. Cabot supra*. In its Memorandum Decision, R. Vol. I (70), the court said:

“ * * * Meisler conceived the idea of placing one bale atop another in a circular press, pressing the two bales to a circular shape, and then shipping the bales in two fifty-five gallon drums. The method of shipping in the drums is to place the pressed bales in one drum, put the other drum over the top of the bales, and then seal the two drums where they join, which is approximately the middle of the bale.”

The court defined the novelty and claimed contribution of the invention quite clearly and precisely in finding XXXIV (R. Vol. I, 83):

“XXXIV. The only novelty between the patented method and such prior art is the use of two standard or conventional drums secured end to end to contain the elongated cylindrical bale of hops.”

The court covered in detail “the nature and extent of the differences between the patented and accused devices,” as suggested in *Moon v. Cabot, supra*, in findings VII, VIII, XXV, and XXVI (R. Vol. I, pp. 76, 81, brief *supra* 13-14).

The “scope of the claim of the patent and the limitations in it” were considered by this court on the former

appeal 332 F. 2d 910 and by the trial court in its Memorandum Decision (R. Vol. I, 69.) and finding X, XI, XII, XIII, and XIV.

Among the "other surrounding circumstances" which were considered by the court are the prosecution of the original application before the Patent Office and the arguments made by the applicant's attorney in response to rejections, and the admissions made by the inventor during the course of the abortive proceedings on the application for reissue, as outlined in the Memorandum Decision of the court (R. Vol. I, 73, 74) and findings XIX, XX, XXI, XXII, and XXIII.

Thus, the trial court, on remand from this court, determined the permissible range of equivalents to which the patent was entitled with meticulous care and thoroughness and in accordance with the ground rules laid down in this court's earlier decisions.

Appellant Is Confused in Its Citation of Authorities on Patentability in Support of Arguments on Equivalency

Appellant's brief, pages 26, 27, 29, 30, 41, 42, 46 and 47, cites and relies upon prior decisions of the United States courts relating to obviousness, invention, patentability, and validity,—issues which are not involved in the questions presented on this appeal. The purpose of the reliance upon such cases is not apparent, unless it is to becloud the real issues and confuse the court.

The trial court did not pass on validity. If the scope of claim 1 of the patent is properly limited to its terms, appellee does not now challenge its validity. Perhaps it was unobvious to conceive that *two* standard steel drums could be assembled with the flanges around their open ends superposed and sealed, to package two elongated bales of hops which had been recompressed to cylindrical shape, but appellee is not concerned here with such a conception.

The cases cited on the pages referred to above and the quotations therefrom are all concerned with tests and standards for determining the presence or absence of invention, and with questions of patentability and patent validity.

To illustrate appellant's confusion, the brief at pages 46 and 47 refers to recent Supreme Court decisions, particularly *U. S. v. Adams*, 86 S. Ct. 708 (1966) from which it quotes. The brief states with respect to the Adams' case:

"The court below held that the Government's battery had been the equivalent. The Supreme Court of the United States thus holds that the doctrine of equivalency still applies and protects the inventor so he and others will be induced to exercise their ingenuity to the advantage of mankind * * *"

The court held nothing of the kind! The opening paragraph of the Supreme Court's opinion, outlining the history of the litigation, states:

"* * * The Trial Commissioner held that the patent was valid and infringed in parts * * *. The Court of Claims adopted these findings * * * 330 F. 2d 622 * * *. The United States sought certiorari *on the patent validity issue only*. We granted the writ, along with the others, in order to settle the important issue of patentability presented by the four cases. 380 U.S. 949. We affirm." 86 S.Ct. 708, 709.

No question of infringement or equivalency was presented to the Supreme Court. In fact, the court below did not hold that the accused battery "had been an equivalent" as stated in appellant's brief. As appears from the decision of the Court of Claims, 330 F. 2d 622, 626, 627, the Eagle-Picher and Ray-O-Vac battery units were held to infringe claim 1 of the Adams patent but the Burgess battery unit which was *claimed to be an equivalent* of claim 1 was held not to infringe. The decision in the Court of Claims holding the Burgess battery unit not an equivalent sup-

ports appellee's position in this case. However, the issues of infringement and equivalency as to any of the batteries were *not* presented to the Supreme Court.

Consideration of the Proceedings on the Abortive Application for Reissue Requires a Strict Construction of Claim 1

The trial court in its Memorandum Decision (R. Vol. I, 68) referred to this court's statement in its former opinion that the proceedings on the application for reissue might be used in aid of construing the claims (332 F. 2d 910, Footnote 8, citing *Schnitzer v. California Corrugated Culvert Co.*, 140 F. 2d 275, 276-277).

Following the admonition of this court, the trial court, after expressly noting that it was doing so as an aid in construing the claims, did look to the actions of the patentee, Meisler, in his application for reissue and quoted from his reissue oath at page 7 of the Memorandum Decision (R. Vol. I, 74) the following, which also became finding of fact XX*:

"I verily believe the original patent to be partly inoperative or invalid for the reason that the original patent describes my invention as a combination of a method of compressing hops with the step of placing a bale into two steel drums, while actually one steel drum can be used in place of two steel drums without affecting the scope of my invention.

"That I claim that my said Letters Patent is so inoperative or invalid by reason of a defective or insufficient specification in that the specification in the short description of the invention does not indicate

* Appellee notes that on page 12 of its brief appellant inaccurately quotes the trial court's finding of fact No. XX by failing to indicate the omission by asterisks or the like, of the second and third paragraphs thereof which are above quoted. It is perhaps significant that the portion of the finding omitted by appellant includes the patentee's sworn statement "... that the invention as described and claimed is limited to the use of two steel drums ...".

that the sealing of the bale into two steel drums is an optional procedure.

* * *

“As is apparent from the above, the errors which constitute the inadvertence, accident or mistake relied upon in applying for this reissue, consist in that *the invention as described and claimed is limited to the use of two steel drums*, while actually one drum can be used as effectively as two drums. The absence of claims in the issued patent covering the use of one drum is believed to constitute a most serious inadvertence, accident or mistake.” (Emphasis added) See Exhibit 14, pages 10 and 11.”

The trial court also made specific findings of fact with respect to the broadened specification and claims in the reissue application and the Examiner's rejection thereof. (Findings of Fact Nos. XIX, XXI, XXII and XXIII, R. Vol. I, 79, 80)

Relying solely upon the existence of such findings by the trial court, appellant at pages 12 and 13 of its brief blatantly alleges that the trial court applied the doctrine of file wrapper estoppel in contravention of this Court's previous decision. Such allegations by appellant are simply not so. This is patently clear from the trial court's memorandum decision (R. Vol. I, 68) wherein the trial court: carefully analyzed patent claim 1 (R., Vol. I, 69); considered the “purpose and nature of the patent” as well as the prior art and the relation of the patented method thereto (R. Vol. I, 69-72); the arguments made by the patentee to the patent examiner during the course of the prosecution of the original application (R., Vol. I, 73, 74); and compared the accused method practiced by appellees with the patented method and analyzed the distinctions therebetween (R. Vol. I, 69, 70). It was only after a careful and detailed consideration of all such evidence that the trial court considered the proceedings on reissue, and then only after explicitly noting that it was doing so as an aid in construing the claim. (R. Vol. I, 74) Thus, there

is simply not the slightest basis for appellant's allegation "that the Trial Court did indirectly what this Court previously held that it should not do, namely, apply the doctrine of file wrapper estoppel." On the contrary, it is abundantly clear that the proceedings on reissue were merely relied upon as additional evidence to aid the trial court in construing the claim and that when so considered, the reissue proceedings simply buttressed, as indeed they must, the court's conclusion that the patent claims do not cover the appellant's single drum method.

CONCLUSION

The ruling of the Supreme Court in *Graver Tank Co. v. The Linde Air Products Co.*, supra, and of this Court in *Martin v. Be-Ge Mfg. Co.*, supra, that the questions of equivalency and infringement are fact questions, should be followed in the court's consideration of the questions presented on this appeal.

The trial court's determination of non-equivalency between the accused single drum net weight packaging procedure and the patented method is a finding of fact and should not be set aside unless clearly erroneous.

The trial court applied the proper tests, laid down by this Court in *Moon v. Cabot Shops, Inc.*, supra, in determining the issue of infringement on the basis of the doctrine of equivalents and in finding no infringement. The evidence abundantly supports the finding.

The judgment below should be affirmed.

Respectfully,

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Certificate

I certify that, in connection with the preparation of this brief, I have examined Rules 18 and 19 of the United States Court of Appeals for the Ninth Circuit and that, in my opinion, the foregoing brief is in full compliance with those rules.

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